



NEOGEN
CHEMICALS LTD.

May 27, 2019

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| <p>BSE Limited Department of Corporate Services Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001</p> <p>Scrip Code No: 542665</p> | <p>The National Stock Exchange of India Limited Listing Department, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051</p> <p>Company Symbol: NEOGEN</p> |
|---|--|

Dear Sir/Madam,

Sub: Investors' Presentation for the quarter and Year ended March 31, 2019.

Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 (the "Regulation"), Kindly find enclosed Investors' Presentation for the Quarter and Year ended March 31, 2019.

The same may please be taken on record.

Thanking you.

Yours faithfully
for Neogen Chemicals Limited



Lalit Karne
Company Secretary & Compliance Officer
Membership No: ACS 47403





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Neogen Chemicals Ltd.

Q4 & FY19 Earnings Presentation

May 27, 2019



Certain statements in this document may be forward-looking statements. Such forward looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Neogen Chemicals Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

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Neogen Chemicals – At a Glance



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Leading manufacturer of Bromine and Lithium-based specialty chemicals, operating since 1991

Strong portfolio of Organic and Inorganic products

Customers across multiple industries including Pharma, Engineering and Agrochem

Key export geographies include USA, Europe, Japan and Middle East

Growing contribution from Custom Synthesis and Manufacturing

Executing Greenfield and Brownfield manufacturing capacity expansions

Promoters are pioneering technocrats with substantial domain expertise; cumulative experience of more than six decades

Developed strong R&D capabilities with dedicated in-house team

198

Products developed by in-house R&D

10%

Of workforce in R&D team

27

Exporting countries

ISO 9001:2015, ISO 14001:2015
& BS OHSAS 18001:2007

Manufacturing units certified on Quality & SHE management systems

26%

5-year Revenue CAGR

40%

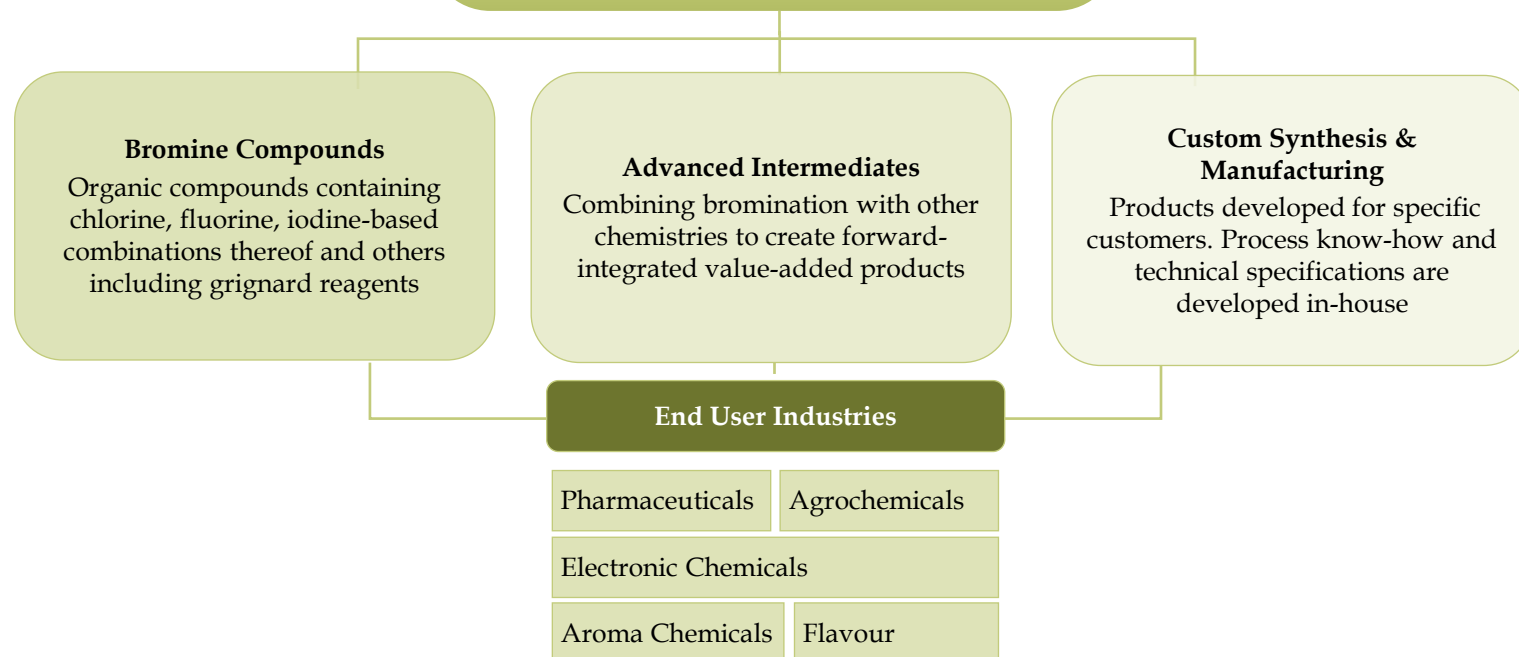
5-year PAT CAGR

Business Overview



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Organic Chemicals



Inorganic Chemicals

The portfolio includes specialty, inorganic lithium-based chemical products which find applications across multiple industries

End User Industries

Eco-friendly VAM for cooling air/water/process equipment

Pharmaceuticals

Specialty Polymer

Construction Chemicals

Select
Clientele

AUSTIN

SOLVAY

Divis
Divis Laboratories Ltd.

LAURUS Labs
Knowledge . Innovation . Excellence

CBC GROUP CBC Co.,Ltd

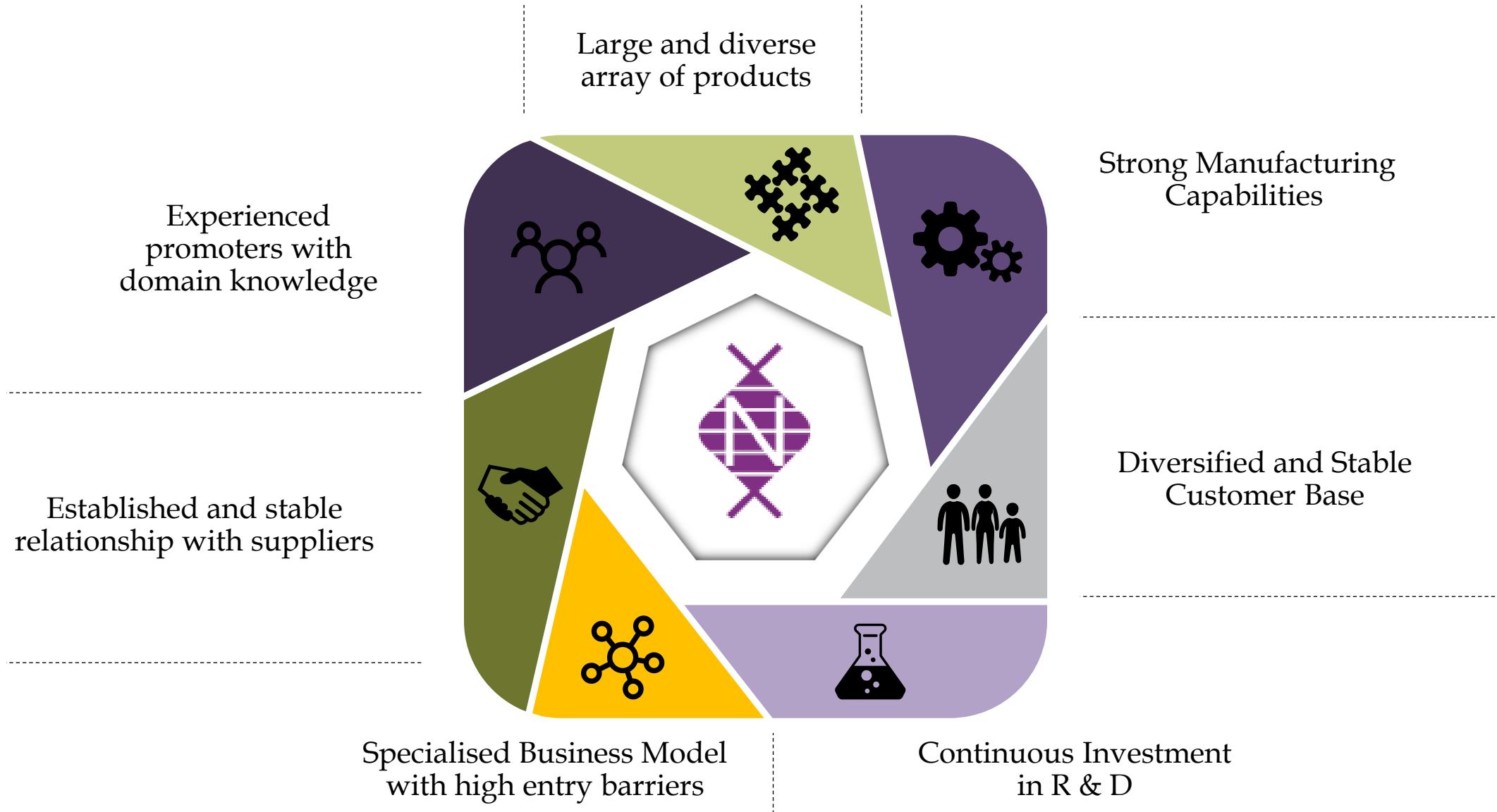
THERMAX

VOLTAS
A TATA Enterprise

Competitive Advantages



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Key Performance Highlights – Q4 & FY2019



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FY19

Q4 FY19

₹ 239 cr



46%

₹ 80 cr



35%

Revenues

₹ 43 cr



50%

₹ 16 cr



40%

EBITDA

₹ 29 cr



67%

₹ 12 cr



39%

Profit Before Tax

₹ 21 cr



97%

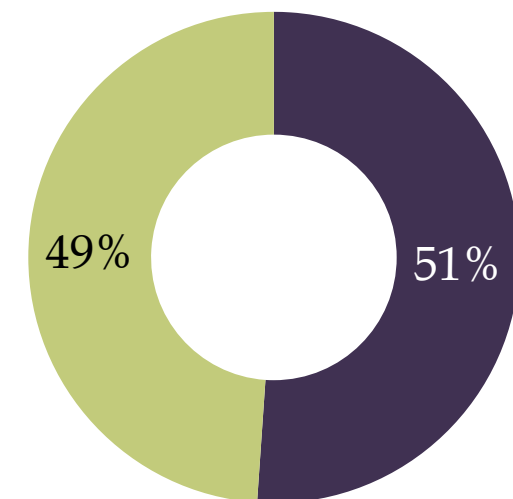
₹ 9 cr



27%

Profit After Tax

FY19 Revenue break-up



■ Domestic ■ Exports*

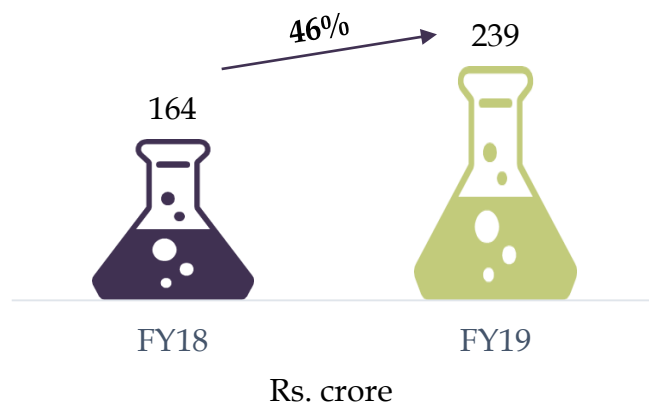
Note: Growth for FY19 is compared to FY18 and growth for Q4 FY19 is compared to Q4 FY18

*Including deemed exports

Financial Summary – FY2019



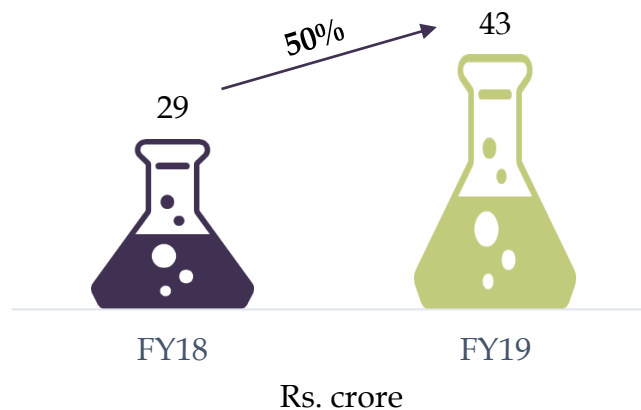
REVENUE



Strong revenue growth was led by combination of factors including:

- Better Capacity Utilization
- Improvement in productivity at Vadodara
- Favorable product-mix

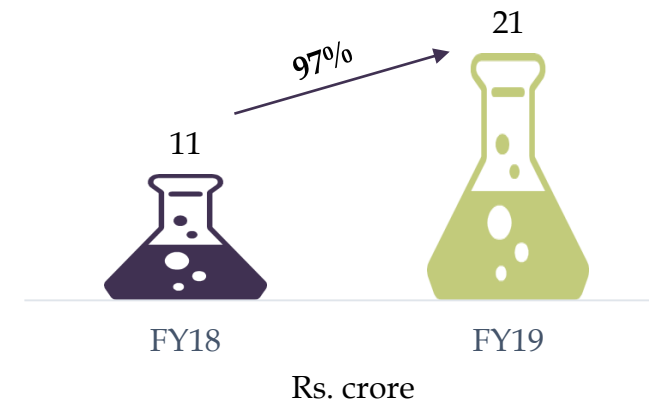
EBITDA



EBITDA expanded on account of:

- Better Capacity utilization
- Improving efficiencies on larger scale of operations
- Favorable product mix

PAT



Profit After Tax improved due to:

- Strong operating performance
- Lower finance cost due to higher export and improved rating
- Lower tax rate in financial year 2019

Revenue break-up – FY2019



| | FY2019 | FY2018 | | |
|-------|-------------|-------------|---------------------|---|
| 82% | Rs. 193 cr. | Rs. 106 cr. | Organic Chemicals | Robust growth was driven by higher capacity utilisation and better efficiency of operations |
| (17%) | Rs. 48 cr. | Rs. 57 cr. | Inorganic Chemicals | Subdued growth was a result of lower prices of lithium RM as well as softer demand from customers |

Financial Table – Profit & Loss Statement (Standalone)



| Particulars (Rs. crore) | Q4 FY2019 | Q4 FY2018 | Growth (%) | FY2019 | FY2018 | Growth (%) |
|---------------------------------|-------------|-------------|------------|--------------|--------------|------------|
| Revenue | 79.8 | 58.9 | 35% | 239.1 | 164.0 | 46% |
| Expenditure | 63.5 | 47.3 | 34% | 195.6 | 135.0 | 45% |
| EBITDA | 16.3 | 11.6 | 40% | 43.4 | 29.0 | 50% |
| <i>Margins</i> | 20.4% | 19.7% | | 18.2% | 17.8% | |
| Depreciation | 0.7 | 0.5 | 57% | 2.8 | 1.9 | 53% |
| EBIT | 15.6 | 11.2 | 39% | 40.6 | 27.1 | 50% |
| Interest | 3.4 | 2.7 | 25% | 11.9 | 10.4 | 15% |
| Other Income | 0.05 | 0.3 | -83% | 0.7 | 0.8 | -13% |
| Profit Before Tax | 12.2 | 8.8 | 39% | 29.3 | 17.5 | 67% |
| <i>Margins</i> | 15.3% | 14.9% | | 12.3% | 10.7% | |
| Tax Expense | 3.5 | 1.9 | 87% | 8.3 | 6.8 | 21% |
| Profit After Tax | 8.7 | 6.9 | 27% | 21.0 | 10.7 | 97% |
| <i>Margins</i> | 11.0% | 11.7% | | 8.8% | 6.4% | |
| Earnings Per Share (Rs.) | 4.36 | 3.45 | 26% | 10.48 | 5.35 | 96% |

Balance Sheet Snapshot (Standalone)



| Particulars (Rs. In crore) | As on March 31, 2019 | As on March 31, 2018 |
|---------------------------------|----------------------|----------------------|
| <u>Assets</u> | | |
| Non-current assets | 86.6 | 73.7 |
| Current assets | 160.1 | 106.9 |
| <i>Total Assets</i> | 246.7 | 180.6 |
| | | |
| <u>Liabilities</u> | | |
| Shareholders' Funds | 70.5 | 50.6 |
| Non-current liabilities | 59.5 | 46.4 |
| Current liabilities | 116.7 | 83.6 |
| <i>Total Liabilities</i> | 246.7 | 180.6 |



Commenting on the performance, Mr. Haridas Kanani, Chairman & Managing Director at Neogen Chemicals said:

"I am pleased to share our first financial and operational performance as a listed company after successfully concluding the IPO. I also humbly welcome on board all our new shareholders to be a part of Neogen family's exciting growth journey ahead.

Over the last 28 years, we have meticulously worked to build a niche business model with strong expertise in Bromine and Lithium chemistries which is now extended across several chemistries. Throughout this period, we have continued to abide by our fundamental guiding principles of honesty, integrity and governance, to create a robust platform from which we hope to build sustained value for all our stakeholders."



Commenting on the performance, Dr. Harin Kanani, Joint Managing Director at Neogen Chemicals said:

"Financial Year 2019 has been a remarkable year for us and I am delighted to share that we have reported significant improvement in revenues and profits once again, in line with the consistent trajectory charted over the last several years. Robust revenue growth of 46% and PAT growth of 97% in FY19 was driven by our emphasis of operating our plants at optimal utilisation levels driven by encouraging demand scenario across industries.

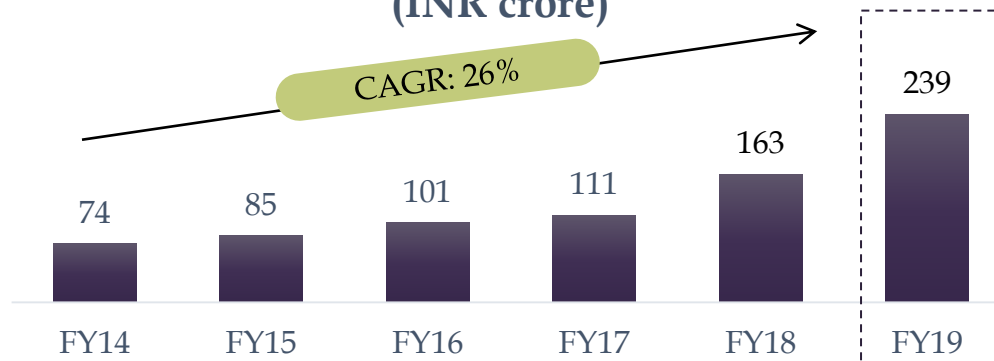
Following the IPO, we have created a strong capital base that we expect to leverage to drive several growth initiatives. The road ahead appears promising and we are committed to demonstrate solid performance over the next few years led by our planned capacity expansions and improvement in product mix with efficient innovative process."

Historical Financial Performance



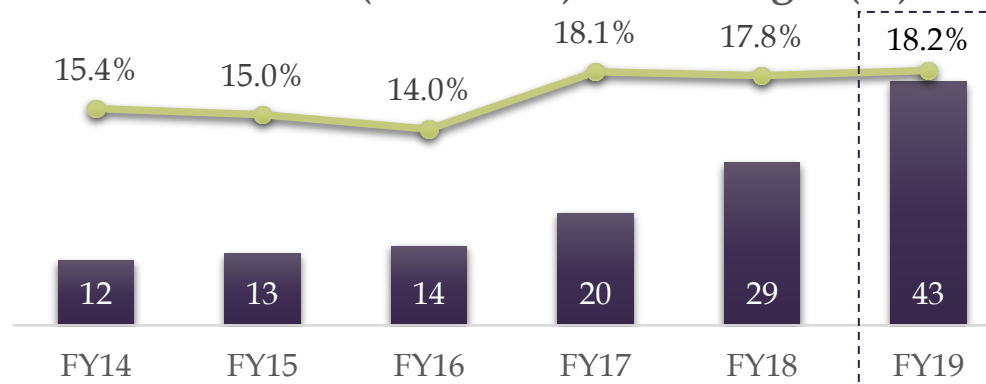
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Net Revenue from Operations
(INR crore)**

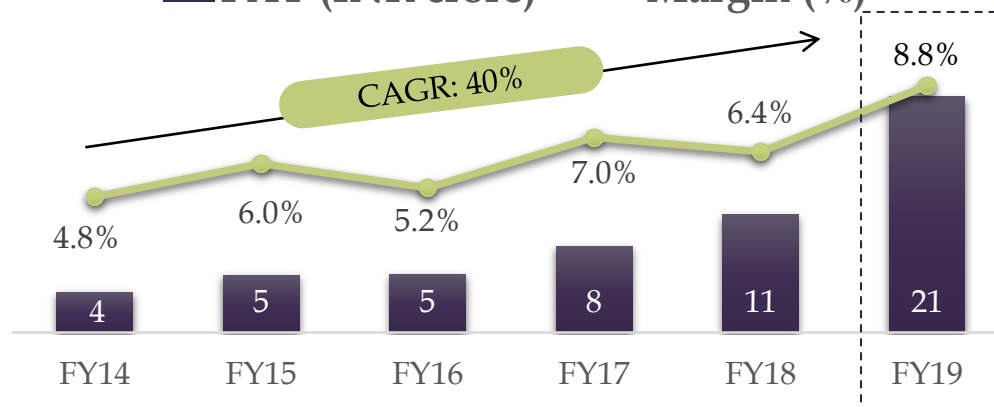


** Revenue is Net of Excise

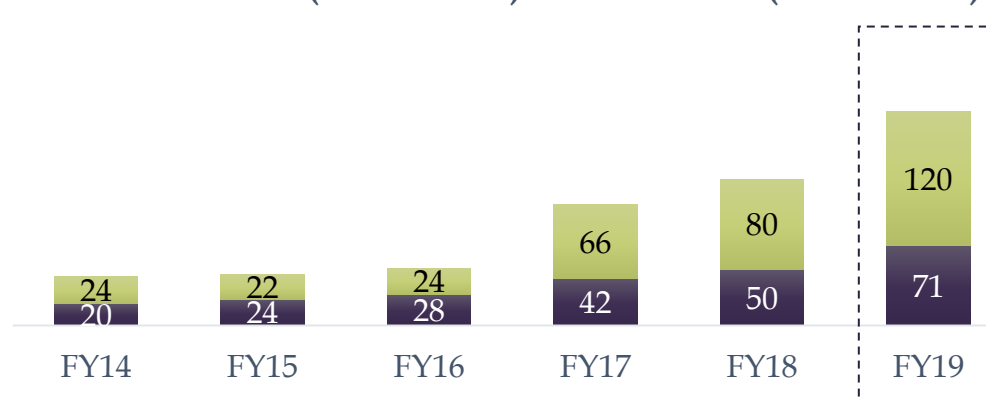
EBITDA (INR crore) Margin (%)



PAT (INR crore) Margin (%)



Networth* (INR crore) Net Debt (INR crore)

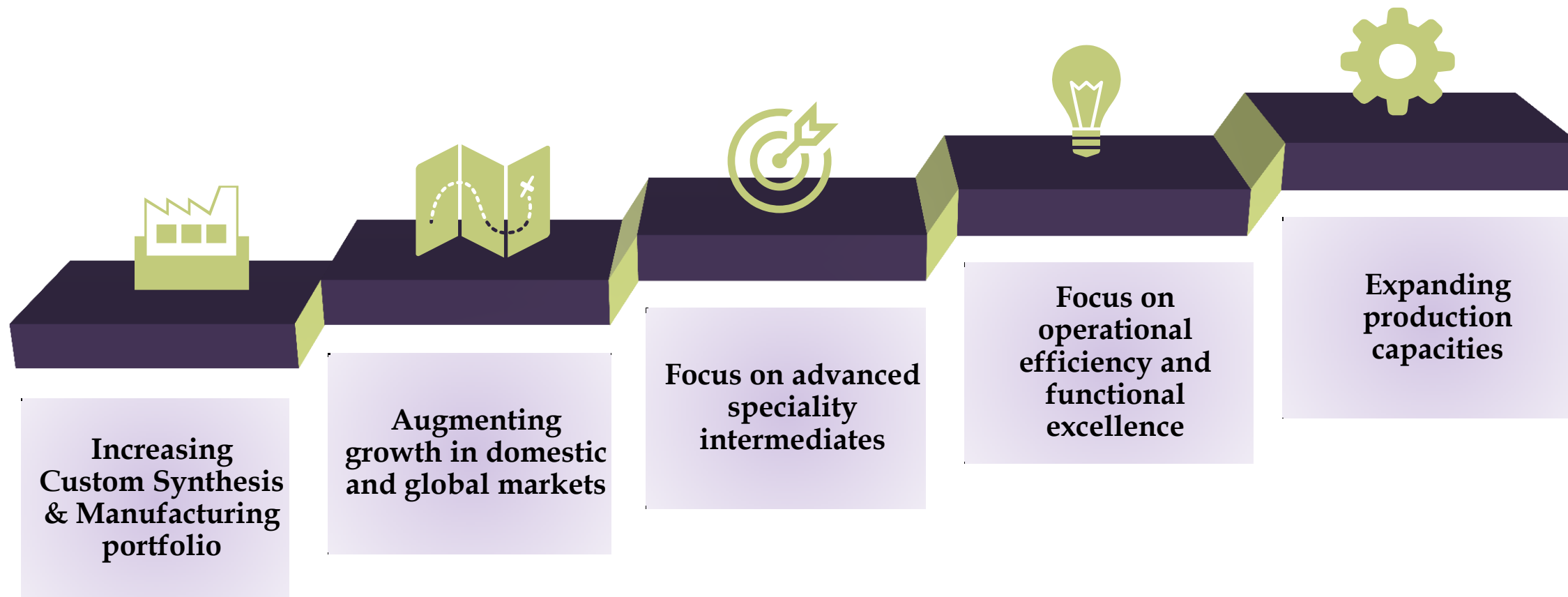


* Net Debt includes preference share capital

Way Forward



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About Us



Incorporated in 1991, **Neogen Chemicals Ltd.** (NSE Code: NEOGEN; BSE Code: 542665) is one of India's leading manufacturers of Bromine-based and Lithium-based specialty chemicals. Its specialty chemicals product offerings comprise of Organic as well as and Inorganic chemicals. Its products are used in pharmaceutical and agrochemical intermediates, engineering fluids, electronic chemicals, polymer additives, water treatment, construction and aroma chemicals, flavours and fragrances, specialty polymers, chemicals and VAM original-equipment manufacturers. Over the years, Neogen has expanded its range of products and, presently, manufactures an extensive range of specialty chemicals which find application across various industries in India and globally. It has a product portfolio of 198 products comprising 181 organic chemicals and 17 inorganic chemicals.

In addition to manufacturing speciality chemicals, Neogen also undertakes custom synthesis and manufacturing where the product is developed and customized primarily for a specific customer, but process know-how and technical specifications are developed in-house.

The Company operates out of its two manufacturing facilities located in Mahape, Navi Mumbai in Maharashtra, and Karakhadi, Vadodara in Gujarat. It is presently, developing a Greenfield manufacturing unit in Dahej SEZ, in Gujarat.

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Thank You

